CITY OF SAN JOSÉ, CALIFORNIA Department of Planning, Building and Code Enforcement 801 North First Street, Room 400 San José, California 95110-1795	Hearing Date/Agenda Number PC 1-28-04 Item #:
	File Number PDC03-061
STAFF REPO	Application Type Planned Development Rezoning
	Council District 1
	Planning Area West Valley
	Assessor's Parcel Number(s) 381-37-007
PROJECT DESCRIPTION	Completed by: Darren McBain
Location: West side of Saratoga Avenue appro	ximately 200 feet southerly of Graves Avenue
Gross Acreage: 4.5 Net Acre	eage: 4.5 Net Density: 17.4 units per acre
Existing Zoning: CG Commercial General	Existing Use: Commercial (bowling alley)
Proposed Zoning: A(PD) Planned Development	Proposed Uses: 79 single-family attached garden townhouse residential units (demolition of two existing commercial buildings (Saratoga Lanes bowling allegand Wolf Camera Center)
GENERAL PLAN	Completed by: DM
Land Use/Transportation Diagram Designation General Commercial	Project Conformance: [x]Yes []No [x]See Analysis and Recommendations
SURROUNDING LAND USES AND ZONING	Completed by: DM
North: Residential and commercial	R-1-8 Residence and CO Commercial Office
East: Shopping center	CG Commercial General (across Saratoga Avenue)
South: Shopping center	CG Commercial General
West: Medical offices	A(PD) Planned Development
ENVIRONMENTAL STATUS	Completed by: DM
[] Environmental Impact Report [X] Negative Declaration circulated [] Negative Declaration adopted	[] Exempt [] Environmental Review Incomplete
FILE HISTORY	Completed by: DM
Annexation Title: Easterbrook No. 2	Date: October 26, 1955
PLANNING DEPARTMENT RECOMMENDATIONS AND	ACTION
[x] Approval Date: [] Approval with Conditions [] Denial [] Uphold Director's Decision	Approved by: [] Action [X] Recommendation
APPLICANT/DEVELOPER	OWNER
Riding Group One Almaden Boulevard #705 San Jose, CA 95113	JD Molex One, LLC 1484 Saratoga Avenue San Jose, CA 95070

PUBLIC AGENCY COMMENTS RECEIVED	Completed by: DM	
Department of Public Works		
See attached memo		
Other Departments and Agencies		
See attached letter from Moreland School District		
GENERAL CORRESPONDENCE		
See numerous attached letters.		
ANALYSIS AND RECOMMENDATIONS		

BACKGROUND

The applicant, Riding Group, is requesting a Planned Development Rezoning from CG Commercial General to A(PD) Planned Development, to allow the construction of 79 single-family attached garden townhouse residential units. Demolition of an existing commercial building (bowling alley) and a 500 square foot kiosk building is needed to facilitate the project. A Planned Development rezoning would be necessary to accommodate the proposed project due to the site's current commercial zoning designation which does not allow residential development and the desire for the applicant to utilize a General Plan Discretionary Alternate Use Policy to support residential development. The existing commercial building is approximately 45,000 square feet in size and was built in 1958. Surrounding land uses consist of single-family houses and a commercial building across Graves Avenue to the north, a gas station and a shopping center (Westgate) across Saratoga Avenue to the east, a shopping center (West Valley Shopping Center) to the south, and medical offices to the west.

PROJECT DESCRIPTION

The proposed project consists of 79 garden townhouse units. Vehicle access to the site is provided on both the Saratoga Avenue and Graves Avenue street frontages. A proposed driveway on Saratoga Avenue driveway would allow right-turn-in/right-turn-out movements only. The units are proposed to front out onto Graves Avenue or onto landscaped paseos within the interior of the site. Each living unit consists of two stories of living area over a garage partially below-grade level, giving the buildings a two-story appearance. The units have two to four bedrooms and range in size from approximately 1,400 to 1,900 square feet. A private two-car garage is integrated into each unit. The garage doors are located on the backs of the units, accessed from on-site driveways. Guest parking spaces are distributed along the project's main driveway. Each unit has a private front patio. The primary common open space element comprised of a pool and recreation structure is proposed near the Saratoga Avenue frontage.

GENERAL PLAN CONFORMANCE

The site is designated General Commercial on the San Jose 2020 General Plan Land Use/Transportation Diagram. The General Plan includes a Discretionary Alternate Use Policy, Residential Uses on Commercially Designated Parcels, that allows residential development to be built on commercially designated parcels located next to major thoroughfares. Projects may be deemed to conform to the

General Plan upon use of this policy, and not need to amend the General Plan Land Use/Transportation Diagram designation, provided that the residential development proposes a minimum density of at least 17 dwelling units per acre (DU/AC), and (a) is designed to facilitate transit ridership and pedestrian activity; (b) is compatible, well integrated, and part of an appropriate residential or mixed-use environment; and (c) is of exceptional quality and exceeds the City's minimum design standards.

It is Planning staff's opinion that the proposed project as designed conforms to the criteria that are required for use of the discretionary policy, and that the project should therefore be deemed to be in conformance with the General Plan. An in-depth analysis of the proposed project's design and conformance with the General Plan is contained under the Analysis section of this report.

ENVIRONMENTAL REVIEW

An Initial Study was prepared for this project and a Mitigated Negative Declaration was circulated for public review by the Director of Planning on January, 8 2004. The primary issues that were addressed in the environmental review included the project's potential impacts on traffic, the potential impact of traffic noise from Saratoga Avenue on future residents of the proposed units, and the potential historical significance of the existing, circa-1958 building on the site. The project includes mitigation measures that will reduce any potentially significant project impacts to a less-than-significant level. The following sections discuss specific environmental issues in more detail. A more comprehensive accounting of the environmental mitigation measures required as part of this project can be found in the project's Mitigated Negative Declaration (attached to this report). The full text of the Initial Study, including historical report and photos of the site, is available online at: http://www.ci.san-jose.ca.us/planning/sjplan/eir/MND2004.htm

Traffic

A traffic study for the proposed project was prepared by a traffic consultant. The Public Works Department has reviewed the traffic study and determined that the project would not have a significant impact on any nearby signalized intersections. Further, the nearby street system has adequate capacity to accommodate the proposed project. Therefore, the Director of Public Works has concluded that the project conforms to the LOS Policy and the project does not warrant any additional mitigation (e.g., additional turn lanes or traffic signals) on the part of the applicant.

The Public Works Director's review of the project include a requirement for modification of traffic signal phasing at Saratoga and Graves Avenues, and installation of two stop signs at Graves Avenue and Crespi Drive, in order to accommodate traffic to and from the project. It should be noted that, although they are requirements for approval of the project, these improvements are considered to address minor "operational" issues rather than "environmental" issue for purposes of a project's conformance to CEQA. Under the provisions of CEQA and the City of San Jose's Transportation Level of Service (LOS) Policy, the only type of traffic impact that is considered a "significant environmental impact" (and would thus require mitigation if an impact occurs) is an unacceptably increased delay at a signalized intersection.

Traffic related concerns were brought out by area residents at the neighborhood meetings for the project. A discussion of these concerns are contained in the Public Outreach section of this report.

Existing On-Site Commercial Building

The proposal includes demolition of an existing, 45,000-square-foot, circa-1958 commercial building that is used as a bowling alley. The building is a rather basic, unarticulated, one-story masonry structure surrounded by an asphalt parking area that is largely devoid of landscaping. A report prepared by a

qualified consultant under direction by the City's Historic Preservation Officer evaluated the building and determined that it had no historical significance for purposes of CEQA.

Noise

A noise report prepared for the project by a qualified noise consultant analyzed potential traffic and commercial activity noise impacts. The report included project-specific recommendations for windows, doors, and general construction best management practices for the building shell. With the inclusion of these mitigation measures in the project, the impact of traffic and commercial use generated noise on the interiors of the proposed units will be reduced to a less-than-significant level (60 dB DNL) and will conform to the General Plan's noise standards for new residential projects.

The noise report also includes recommendations to construct 6-foot-high patio walls for some of the units located closest to Saratoga Avenue. The patio walls will reduce exterior noise to a less-than-significant level for the units whose private open spaces are located along the project's street frontage. Although the patio noise levels units for some of the units may still exceed the noise standards recommended in the City's General Plan by up to 5 dB dNL, the language in the General Plan recognizes that is not always possible to achieve the recommended standards for exterior noise when units are located near a major thoroughfare such as Saratoga Avenue, or near other sources of substantial noise. The higher patio walls and other recommended mitigation measures will reduce exterior noise as much as possible, and the proposed configuration conforms to the intent of the General Plan's noise standards and to common practice for other comparable projects in similar noise environments.

Trees

The project includes removal of four ordinance-size trees on the site: a Liquidambar tree, a Podocarpus tree, and two Ash trees. The removal of these trees is not considered a significant environmental impact, and will be offset by the planting of new trees at a four-to-one replacement ratio.

ANALYSIS

As identified earlier under the General Plan Conformance section of this report, the applicant is seeking to use a Discretionary Alternate Use Policy for this project. An in depth analysis of the project and how it conforms with the criteria of the policy is contained below, as well as an analysis of the project and its compatibility with nearby land uses, and the projects conformance with the adopted Residential Design Guidelines.

Discretionary Alternate Use Policy, Residential Uses on Commercially Designated Parcels

The Discretionary Alternate Use Policy proposed to be utilized for this project, Residential Uses on Commercially Designated Parcels, states that "Higher density residential development (minimum 17 dwelling units per acre) or mixed use commercial/residential development may be allowed under a Planned Development zoning on properties which are located on major thoroughfares and designated for Neighborhood/ Community Commercial, Office, General Commercial, or Regional Commercial use if such development: (a) is designed to facilitate transit ridership and pedestrian activity; (b) is compatible, well integrated, and part of an appropriate residential or mixed use environment; and (c) is of exceptional quality and exceeds the City's minimum design standards."

The proposed project is located directly on a major thoroughfare, Saratoga Avenue, and within walking distance of the intersection of Saratoga, Prospect, and Campbell Avenues. The proposed project density is 17.4 DU/AC. This site location and density proposed meet the location criteria of a major thoroughfare and the minimum density of 17 DU/AC.

(a) Facilitation of Transit Ridership and Pedestrian Activity

The site is located within 1,000 feet of seven bus lines. The site design as proposed includes a network of pedestrian walkways that support pedestrian activity within the project and create pedestrian links to Graves Avenue and Saratoga Avenue. Pedestrian links to the external streets support the use of transit lines by eliminating barriers to the transit facilities.

(b) Design Compatibility and Integration with Both a Residential and Commercial Environment

The unit type being proposed is a two-story at street level garden-townhouse unit that, in Planning staff's opinion, provides an appropriate physical transition in both scale and intensity from the surrounding single-family neighborhood across Graves Avenue to the commercial uses that border the other three sides of the project site. The size, height, massing, and setbacks of the proposed units are reasonably compatible with the established neighborhood of single-family detached houses. The proposed site design includes units facing out toward the residential interface side of Graves Avenue. To reduce the mass of buildings along Graves Avenue, the units fronting along the street have been divided into small clusters of units, averaging four units per building. A landscaped parkstrip with street trees, currently absent, would be added on the Graves Avenue frontage. The proposed driveway on Graves Avenue aligns with the existing street grid and Crespi Drive, and a network of walkways links the proposed units with the existing residential streets across Graves Avenue. All of these design elements respect the scale and design of the existing residential neighborhood and work to integrate the existing with the proposed residential.

(c)Exceptional Quality and Design

The project's site design includes a system of walkways for excellent internal connectivity as well as connections to the existing residential and commercial neighborhood. Guest parking is well distributed throughout the site along the project's main driveway, such that the spaces are highly visible and conveniently placed. Perhaps most significant in the design of the project is the internalization of garage doors thus hiding them from view and creating the opportunity to face the units out toward the existing residential streets.

The layout of the project has intentionally been designed to acknowledge the adjacent "Rotten Robbie" gas station and create the potential for integration if the gas station were to ever cease to be a viable commercial entity and that parcel ever acquired. Any redevelopment of the gas station site would require separate, subsequent entitlements and permits.

Compatibility with Nearby Land Uses

The challenge posed by developing higher density residential on this site is to design a project that will be compatible with both the commercial shopping center to the south and the single-family detached residential neighborhood to the north. In Planning staff's opinion, the proposed townhouses are compatible with the nearby existing residences in terms of size, scale, and essential "single-family" character as discussed above. Additionally, the proposed site design buffers the living units from the commercial property line by placing the main driveway and guest parking near that interface point.

A residential project on the site would preclude the potentially substantial neighborhood impacts that could result of a future commercial project on the site (e.g., noise, lighting, litter, aesthetics, and a potentially higher rate of traffic trip generation) if the site were to be developed commercially. The proposed project includes numerous design features that would improve the existing site conditions and enhance the site's contribution to its surrounding area, including:

Addition of trees, landscaping, residential buildings, and residential parking spaces along Graves Avenue, thus strengthening this block's qualities as a residential environment.

- Elimination of existing commercial cut-through traffic and truck access from Graves Avenue through the bowling alley site to the back of West Valley Shopping Center.
- Elimination of an unsightly commercial building that is extremely run-down and forms an "attractive nuisance" for graffiti, loitering, and other problems.

For the reasons discussed above, staff's opinion is that the proposed project would create a highly appropriate and advantageous transition from the shopping center to the residential neighborhood. The proposed unit type and site design introduce single-family dwelling units at a higher density and are a suitable response to the challenges posed by the site's location. The project would substantially redress what is currently an abrupt commercial/residential interface along Graves Avenue that has resulted in numerous neighborhood impacts and complaints over the years. The project promotes the objectives of "smart growth" by taking advantage of a significant opportunity to provide housing in an area where urban services and infrastructure are already available.

Conformance to the Residential Design Guidelines

The primary design criteria related to the proposed project that have the potential to adversely affect neighboring residential areas if they are not adequately met include the provision of parking and common open space. Below is a discussion of the project and how the design meets or exceeds the guidelines.

Parking

The RDG parking recommendations for garden townhouses are based on the bedroom count of the proposed units. Based on the proposed mix of two-, three-, and four-bedroom units, the total parking requirement for this project is 204 spaces. The proposal includes two covered parking spaces per unit and a total of 61 on-site surface parking spaces, for a total of 219 spaces, 15 space in excess of the required minimum.

Under the provisions of the Residential Design Guidelines, parking spaces along the proposed or existing streets adjacent to the project frontage may be counted toward the guest parking requirements when evaluating a Planned Development Rezoning request. Under the City's applicable criteria and regulations, Graves Avenue is wide enough to allow on-street parking on both sides of the street in front of the project site; however, parking is currently striped and signed such that on-street parking is not allowed along the project frontage on Graves Avenue. This was done to prevent unwanted parking and overnight storage of large commercial vehicles at that location. If this project is approved, the City's Department of Transportation has indicated that it would support the restoration of parking spaces along the project's Graves Avenue frontage with continued restrictions on truck parking through signage and an enforceable standard prohibition on vehicles greater than six feet in height. The number of new parking spaces on the street is estimated to be 20 spaces. For purposes of the current analysis, these new spaces are <u>not</u> being counted toward the project's requirements. However, in actuality they would significantly add to the availability of guest parking for the project, well in excess of the requirements of the Residential Design Guidelines.

Common Open Space

The proposed project includes approximately 37,000 square feet of usable common open space or approximately 470 square feet per unit. The 470 square feet per unit goes well beyond the 150 square feet per unit recommended by the Residential Design Guidelines for garden townhouse units. Common open space is primarily provided at an indoor/outdoor recreational area in the southeast corner of the site and in area between two proposed residential buildings near Graves Avenue. The primary common open space areas have strong pedestrian linkages with most other parts of the project. Additional open space

areas on the site that are larger than 15 feet in width have some potential to function as usable common open space and are, in keeping with departmental policy, included in the 37,000-square-foot total identified above. The final design of these areas will be evaluated at the subsequent Planned Development Permit stage.

PUBLIC OUTREACH

Public hearing notices for the proposed rezoning were sent to owners and tenants of properties within 1,000 feet of the project site. Notice of the public hearing was also published in the newspaper, in accordance with the Public Outreach Policy. Staff has been available to discuss the project with members of the public.

Planning staff attended three evening meetings with residents of the nearby community in September and November of 2003. The first meeting was with a focused group of about ten neighbors who generally oppose the proposed rezoning. The second and third meetings were "formal" neighborhood meetings for which hearing notices were sent to all owners and tenants within 1,000 feet of the site. Each of the second and third meetings was attended by approximately 250 people. The meetings were held at the Country Lane school multi-purpose room. The third meeting was arranged and facilitated by Linda LeZotte, the City Council representative for this area of the city.

The primary concerns that were raised at the meetings included traffic, parking, school impacts, increased population in the neighborhood, the loss of commercial uses on the site, and access to the site from Graves Avenue. The issues raised at the neighborhood meetings are substantially reflected in the written correspondence received by Planning staff and attached to this report. Correspondence has been received from residents within the 1,000-foot noticing radius as well as from residents living up to a half-mile from the project site.

A significant majority of the meetings' attendees seemed to oppose the proposed project and favor maintaining the site's commercial zoning designation. Although there were exceptions, the comments and input conveyed to Planning staff have generally suggested that the residents immediately adjacent to the site are more supportive of the proposed project than are residents who live farther away.

The following bulleted points summarize some of the specific primary objections that were raised at the neighborhood meetings for the project. Staff comments are included below each discussion point. Please refer to the attached written correspondence for a more comprehensive representation of public input on the project.

Primary Public Comments and Staff Responses

Commercial uses should be maintained.

Staff Response: A commercial project on this site would generate more neighborhood impacts in terms of noise, lighting, litter, aesthetics, and a potentially much higher rate of traffic trip generation, 4 to 5 times greater than for a residential project. Theoretically, the potential redevelopment of the site with a new commercial facility could be designed to better minimize the impacts as compared to the existing facility and provide goods and services desired by the nearby community. However, no such proposal is under consideration. Planning staff's review and recommendations are a response to an application that is currently on file to redevelop the site with the proposed residential project and not an assessment of a potential future commercial alternative. The City of San Jose has policies and guidelines (see "General Plan Conformance" and "Analysis" sections, above) that allow residential projects on properties with a commercial General Plan Land Use designation and identify the circumstances under which such a project is considered appropriate. As discussed above, it is

Planning staff's opinion that the proposed project conforms to the applicable criteria for a residential project using the General Plan Discretional Alternate Use Policy for residential uses on commercially designated parcels. Although a commercial proposal could also potentially be an appropriate alternative, and a scenario that some people might find preferable, that should not be seen as diminishing the proposed project's level of conformance to the applicable criteria of evaluation.

Z Cars should only be able to access the site from Saratoga Avenue, not from Graves.

Staff response: The proposed project is a residential project and, if approved, should be integrated with the existing residential neighborhood. The City's General Plan encourages "connectivity" between residential developments to better integrate and foster a sense of community. Residential trips to and from the site should not be limited to a major commercial thoroughfare such as Saratoga Avenue. Restricting access from Graves Avenue along with the required "right-turn-in/right-turn-out only" design for Saratoga Avenue (required because of the existing median and other traffic considerations) would not distribute traffic as well, would unnecessarily burden traffic on the arterial streets, and would restrict convenient access to the local school.

Z Traffic from the project would unacceptably impact nearby residential streets.

Staff response: The proposed project would generate more trips than the existing, near-defunct bowling alley but would generate fewer trips than would a large-scale commercial project that the site's current commercial zoning allows. If the site were redeveloped with a commercial building, such a structure could be up to 70,000 square feet in size (staff's estimate based on other comparable sites). A commercial building of that size would typically generate approximately five times as many daily trips as a 79-unit residential project (estimates from Public Works and Dept. of Transportation staff, based on established trip generation rates for residential and commercial land uses).

It is likely that a commercial project at this particular location would generate somewhat fewer trips than a typical commercial project would, due to some amount of the trips representing motorists already coming to the area because of other nearby commercial uses. However, it is also likely that the availability of a vast array of supermarkets, shops, restaurants, and other commercial services (including Westgate, El Paseo, Westgate West, and West Valley Shopping Center, among others) within easy walking distance of the site would make residents of the proposed project less dependent on the use of cars for their commercial needs, thereby resulting in a lower-than-average trip generation rate for the proposed residential project.

Some residents of the neighborhood have expressed concern that residents of the proposed project would be likely to travel through the network of existing residential streets northwest of the site in order to reach Lawrence Expressway. The traffic study for this project, prepared by Hexagon Transportation Consultants and approved by the Director of Public Works, estimated that 25% of the total trips to and from the site would occur via Lawrence Expressway. Of that number, it seems likely that some percentage will take place via Graves, Teresita, Crespi, Doyle, and the other primarily residential streets to the northwest of the site, rather than via the more direct route of Prospect Road to Lawrence¹. However, a similar situation applies to both the existing bowling alley and, more significantly, to a hypothetical but reasonably foreseeable alternative scenario in which the site is redeveloped, under the current zoning, with a much more substantial and intensive commercial project with a correspondingly higher level of traffic generation.

¹ The 25% estimate includes Lawrence Expressway both north and south of the site. However, the issue regarding residents of the proposed project traveling through the neighborhood northwest of the site is only applicable to motorists traveling between the site and the section of Lawrence that is located to the north of the site.

Numerous complaints regarding existing traffic conditions on the residential streets in the neighborhood northwest of the site have been reported to the City in recent months. The Department of Transportation, in response to the complaints, is currently investigating whether conditions justify installation of any additional stop signs, speed limit signs, speed bumps, and/or other traffic calming measures. As discussed above, the proposed project, if approved, may add some number of additional trips to the existing volume on some of the nearby residential streets. If that eventually proves to be the case, then the adequacy of any traffic calming measures in place at that time may warrant re-evaluation. However, the size of the proposed project and the low number of trips from the project that are anticipated to move through the residential streets northwest of the site do not justify attaching any traffic calming measures or other traffic mitigation to this project as conditions of approval.

- Overflow parking from the project would unacceptably impact nearby residential streets.
 - *Staff response*: The proposed project provides parking in excess of the City's requirements, as discussed in the Analysis section above. Residents on existing streets currently have, and would continue to have, the option of initiating a resident permit-only parking zone on their streets at any time in the future if desired.
- The project would unacceptably impact the Moreland School District.

Staff response: A letter from Moreland School District Superintendent Leslie Adelson, dated 10/10/2003 (attached) states that "the Moreland School District has no objection to the project and has sufficient student capacity to accommodate the anticipated number of students."

CONCLUSION

It is staff's opinion that the proposed project:

- Conforms to the criteria in the General Plan's Discretionary Alternate Use Policy for residential uses on commercially designated parcels;
- Conforms to or exceeds the design standards identified in the Residential Design Guidelines for garden townhouses;
- Would not result in any substantial or unacceptable new neighborhood impacts;
- Would reduce the negative impacts currently resulting from commercial traffic in the neighborhood by removing through-access along the site's property line shared with West Valley Shopping Center;
- Would preclude the potentially substantial neighborhood impacts that could result from a future commercial project on the site in terms of noise, lighting, and aesthetics;
- Would substantially enhance the aesthetic qualities of its immediate surroundings by redeveloping a high-visibility but underutilized and semi-blighted site with residential buildings, trees, and other landscaping; and,
- Promotes the principles and objectives of "smart growth" by taking advantage of an opportunity to provide housing in an area where urban services and infrastructure are already available.

RECOMMENDATION

Planning Staff recommends that the City Council approve the proposed project for the following reasons:

- 1. The project conforms to the site's General Plan Land Use/Transportation Diagram designation of General Commercial by use of the Discretionary Alternate use policy ("Residential Uses on Commercially Designated Parcels").
- 2. The site represents a significant opportunity to provide in-fill housing in an already-urbanized area.
- 3. The existing commercial building (bowling alley) has been determined to have no historical significance.
- 4. The proposed project conforms to the *Residential Design Guidelines*.
- 5. The proposed rezoning is compatible with existing and proposed uses on the adjacent and neighboring properties.

Note: Development standards and other notes are included on a separate 8½"x11" attachment (attachment #6, below). These notes will be included on the Land Use Plan (General Development Plan) for this project prior to final approval of the project by the City Council.

Attachments:

- 1. Mitigated Negative Declaration
- 2. Public Works Memo
- 3. Letter from Moreland School District
- 4. Aerial photo of the site
- 5. Public correspondence
- 6. Land Use Plan text notes
- 7. Plans

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